



2008 Aquaculture Grant Program Agreement

State of Arkansas

THIS AGREEMENT, made and entered into by and between the *Arkansas Agriculture Department, Aquaculture Division*, and

1. Name of Producer:		2. DUNS# _____ Social Security # _____	
3. Address of Producer:		4. Phone Number:	5. Fax Number:
5. Primary Contact:		6. Primary Contact Address if different:	
7. Email:			
8. APPLICABLE SPECIES OF AQUACULTURE: <input type="checkbox"/> Catfish <input type="checkbox"/> Baitfish <input type="checkbox"/> Hybrid Striped Bass <input type="checkbox"/> Goldfish <input type="checkbox"/> [other] _____		9. Tons of <input type="checkbox"/> Catfish <input type="checkbox"/> Baitfish <input type="checkbox"/> Hybrid Striped Bass <input type="checkbox"/> Goldfish <input type="checkbox"/> [other] _____ Feed Purchased in 2008 :	
10. Attach signed verification letter from feed provider certifying 1) tons of feed applicant purchased in 2008; 2) average price per ton producer paid in 2008; and 3) 2008 tonnage report.			
11. Are you an aquaculture producer in another State? <input type="checkbox"/> Yes <input type="checkbox"/> No If you answered yes to the above question, list all States applicable: _____			
12. <input type="checkbox"/> Check if applying for more than the \$100,000 payment limit. The payment limitation shall be applied to an applicant based on the applicant's business structure as it existed during calendar year 2008.			
13. Loss Determination: The producers 2008 average feed cost must exceed the 2003-2007 average cost by 25% <div style="text-align: right; margin-right: 50px;">Producers 2008 Average Feed Cost per Ton</div> i) Catfish – \$235 X 1.25 = \$294..... ii) Goldfish – \$235 X 1.25 = \$294..... ii) Baitfish – \$235 x 1.25 = \$294..... iv) Hybrid Striped Bass – \$813 x 1.25 = \$1,016..... v) Tilapia – \$540 x 1.25 = \$675.....			
14. Calculation Determination: The amount of assistance an eligible aquaculture producer may receive shall be equal to the lesser of: a) Producers 2008 Average Price per Ton Minus the 2003-2007 (5-year) Average Price per Ton..... - Equals Payment rate..... = b) Multiplied by producers 2008 tons purchasedx..... Equals the amount a producer is eligible to receive before applying payment limitations & payment factor, if applicable= (The next line will be completed by AAD) The amount a producer is eligible to receive after payments limitations and payment factor, if applicable.....x.....			

15. TERM OF AGREEMENT: Beginning with the 2009 calendar year through September 30, 2010.

16. COMPLIANCE WITH PROGRAM. PRODUCER agrees to comply with the terms and conditions of the 2008 AGP as specified by the STATE.

17. RECORDS AND AUDITS. PRODUCER agrees to maintain, for a period of 3 years after September 30, 2010, all records pertaining to the aquaculture operation during the term of this agreement. PRODUCER agrees to furnish such information and reports relating to this Agreement as may be requested by the STATE. Periodically, the STATE may require PRODUCER to forward to the STATE copies of any and all records that support the PRODUCER'S receipt of assistance under the 2009 AGP. The records required to be maintained by PRODUCER shall be available at all reasonable times for an audit or inspection by authorized representatives of the STATE or of the United States Department of Agriculture, or the Comptroller General of the United States. Failure to keep, or make available, such records will result in termination of this Agreement by STATE and refund to STATE of all benefits received, plus interest thereon, as determined by the STATE.

18. PRIMARY STATE CONTACT. Should any dispute or question arise concerning the implementation of this Agreement or the 2008 Aquaculture Grant Program, PRODUCER should contact the STATE official listed below:

Primary STATE Contact:	Phone: 870-575-8111
Ted McNulty, Director of Aquaculture	Fax: 870-575-7627

19. APPLICABLE LAWS. The provisions of this Agreement are subject to all applicable laws and authorities, including section 102(d) of the Economic Recovery Act of 2009.

20. SCHEME OR DEVICE. If the PRODUCER is suspected by STATE to have knowingly: (1) adopted any scheme or device which violates this Agreement; (2) made any fraudulent representation; (3) misrepresented any fact affecting a determination under this Agreement; or (4) otherwise violated the terms and conditions of the 2008 AGP, the STATE will notify the appropriate investigating agencies of the STATE and the United States Department of Agriculture and may terminate the Agreement with a full refund of all benefits received there under, plus interest, and the producer will be subject to penalties under applicable civil and criminal laws.

21. TERMINATION OF AGREEMENT. This Agreement will continue in force unless terminated in writing by STATE or by the mutual agreement of the parties. The STATE may terminate this Agreement without prior written notice when required to do so by programmatic requirements, expiration of authorizing legislation or authority, or the exhaustion of funds.

22. PRODUCER CERTIFICATIONS AND SIGNATURES. *PRODUCER hereby certifies as follows:*

- a. *This agreement and all supporting documents (as required) are submitted in accordance with the 2008 AGP;*
- b. *For 2009, PRODUCER is raising the applicable aquaculture species in a controlled environment, maintain such eligible species for commercial use as part of a farming operation, and have a risk in the production of such eligible species;*
- c. *For 2008, PRODUCER raised the applicable aquaculture species in a controlled environment, maintained such eligible species for commercial use as part of a farming operation, and had risk in the production of such eligible species; and*
- d. *Feed costs represented at least twenty-five percent of the total input costs for such aquaculture operation;*
- e. *PRODUCER has not received and will not receive assistance under section 531 of the Federal Crop Insurance Act or section 901 of the Trade Act of 1974 for any losses in 2008 relating to the applicable aquaculture species;*
- f. *Forms CCC-526 and AD-1026 are on file at the applicable Farm Service Agency county office;*
- g. *I am a principal in the PRODUCER and I am fully authorized to make and sign this Agreement on behalf of PRODUCER; and*
- h. *Funds received under the 2008 AGP will be used for costs associated with such aquaculture operation;*
- i. *The statements made on this application and all 2008 AGP documents are true and correct;*
- j. *I have read and understand all the provisions of this Agreement and agree to the terms and conditions herein. I further agree that any false statements made as a part of the 2008 AGP application, or any other documents pertaining to the 2008 AGP documents, can be the subject of substantial civil and/or criminal liability and sanctions.*

Signature of Authorized Representative

Date

Title

23. STATE APPROVAL. This Agreement is executed by the STATE and shall be effective on the date indicated below,

On Behalf of State

Effective Date

SIGNED AGREEMENT. A signed copy of this agreement shall be sent to the following STATE contact on or before **Monday, June 22, 2009**. STATE official to receive agreement:

Ted McNulty
Director of Aquaculture
Arkansas Agriculture Department
1200 N. University Drive
Mail Slot 4912
Pine Bluff, AR 71601

Exhibit B - State Guidelines

Section I. In General

- a. The *Arkansas Agriculture Department* will carry out a 2008 Aquaculture Grant Program to provide assistance to eligible aquaculture industries in the state. Assistance provided under this program will be equivalent to the amount of funds provided the State by a grant from the U.S. Department of Agriculture made in accordance with section 102(d) of the American Recovery and Reinvestment Act of 2009 (the "Act").
- b. Assistance will be provided to eligible aquaculture producers of eligible aquaculture species through the provision of checks issued to such producers by the State of Arkansas. Such checks will be allocated to eligible aquaculture producers by the State and to be used by such producers for costs associated with their current aquaculture operation. Failure to comply with the terms and conditions of this program will subject the producer to a refund of any amounts received, plus interest, and to other penalties under applicable civil and criminal law.

Section II. Definitions

The following words shall have the following meanings when used in these guidelines:

- a. ***Eligible Aquaculture Species*** means a species of aquaculture produced in the state for which feed is at least twenty-five percent of the total input costs associated with producing such species, as determined by the State.
- b. ***Substantial Price Increase of Feed*** means an increase in the average price of feed sold to the producer of eligible aquaculture species that is 25 percent above the previous 5-year average, as determined by the State.
- d. ***Eligible Aquaculture Producer*** means an individual or entity that--
- (1) During 2009, raises an eligible aquaculture species in a controlled environment, maintains such species for commercial use as part of a farming operation and has a risk in the production of such species.
 - (2) Produced an eligible aquaculture species during calendar year 2008.
 - (3) Has been determined by the Arkansas Agriculture Department to have experienced a twenty-five percent price increase of feed costs in 2008.
 - (4) Enters into a 2008 Aquaculture Grant Program Agreement with the Arkansas Agriculture Department and agrees to abide by the terms and conditions of the 2008 Aquaculture Grant Program.
 - (5) Certifies that funds received by the producer under the 2008 Aquaculture Grant Program will be used for costs associated with their current aquaculture operation.

Section III. Eligible Aquaculture Species

For the purposes of the 2008 Aquaculture Grant Program, Eligible Aquaculture Species are the following species of fish:

*[List the covered fish species]*Note: Additional species may be added to eligible list*

Eligible Species	
Catfish	Goldfish
Baitfish	Tilapia
Hybrid-Striped Bass	

Section IV. Implementation Agreements

In order to participate in the 2008 Aquaculture Grant Program, Eligible Aquaculture Producers must enter into a 2008 Aquaculture Grant Program Agreement with the Arkansas Agriculture Department. The Arkansas Agriculture Department will not allocate any grant payments to any aquaculture producers within the State unless such producer has submitted an executed 2008 Aquaculture Grant Program Agreement to the Arkansas Agriculture Department by Monday, June 22, 2009.

Section V. Records and Audits

a. Eligible Aquaculture Producers that participate in the 2008 AGP shall –

- (1) Maintain, for a period of 3 years after September 30, 2010, all records pertaining to the aquaculture operation during the calendar years 2009.
- (2) Furnish such information and reports relating to the program as may be requested by the Arkansas Agriculture Department.
- (3) Forward to the Arkansas Agriculture Department copies of any and all records that support the receipt of assistance under the 2008 AGP.
- (4) Make such records available at all reasonable times for an audit or inspection by authorized representatives of the Arkansas Agriculture Department or of the United States Department of Agriculture, or the Comptroller General of the United States.

b. Failure to keep, or make available, such records will result in a termination of eligibility under the program and any funds received under the program shall be refunded to the Arkansas Agriculture Department, plus interest thereon, as determined by the Arkansas Agriculture Department.